

### STATE BUILDING PROGRAM

Currently, with limited exceptions, each state agency, including the UW System, must submit for approval of the Building Commission any contract for the engineering, design, construction, reconstruction, remodeling, or expansion of a building, structure, or facility if the project cost exceeds \$150,000, if the project cost

exceeds \$500,000, the project must specifically be authorized by law. Currently, DOA manages all engineering, design, and construction work for state agencies, including

the UW System, but DOA may delegate its management authority to an agency for a specific project. With limited exceptions, DOA and any agency to which DOA

delegates its authority must provide public notice of proposed work and let contracts

to the lowest responsible bidder. Plans and specifications for all work on UW projects

are subject to approval of DOA. DOA may assess and collect from state agencies,

including the UW System, a construction project management fee to cover its costs

in managing each project. With limited exceptions, each engineering, design, or

construction contract for a state building, structure, or facility is subject to approval

of DOA and, if the contract involves an expenditure of more than \$60,000, the

approval of the governor. DOA and any other agency must grant preference to

Wisconsin-based firms under certain conditions and must attempt to ensure that 5

percent of the total amount that the state expends on DOA-managed projects in each

fiscal year is paid to minority-owned businesses and that a portion of that amount

is also paid to disabled veteran-owned businesses.

This bill deletes DOA's and the governor's responsibility for <sup>managing</sup> management of,

and <sup>approving</sup> approval of plans, specifications, and contracts for, any building, structure, or

facility to be constructed, reconstructed, remodeled, or expanded for the authority if

the project is funded entirely from sources other than state general purpose revenue

University of Wisconsin - Madison

and with limited  
and with limited  
exceptions,  
exceptions,

created with this bill

or general fund supported bonding. The bill also deletes the requirement for approval of the Building Commission on any such project if the cost does not exceed \$500,000. Under the bill, ~~the authority is not required to adhere to any of the requirements that currently apply to DOA~~ <sup>do not apply to the authority</sup> with respect to any such project ~~and is not~~ subject to assessment by DOA for its construction management services. may not assess the authority

**\*\*\* ANALYSIS FROM -1348/P2 \*\*\***

**PUBLIC UTILITY REGULATION**

Current law requires telecommunications providers, with certain exceptions, to contribute to the Universal Service Fund (USF). The USF is used to promote universal access to telecommunications services and for other specified purposes. This bill requires the Legislative Audit Bureau to annually prepare a financial and performance evaluation audit of at least one program funded with the USF.

**STATE PROCUREMENT**

**\*\*\* ANALYSIS FROM -1216/P2 \*\*\***

Current law generally authorizes state agencies to purchase materials, supplies, or equipment under certain circumstances. With some exceptions, purchases for which the estimated cost exceeds \$25,000 require bids to be invited or proposals to be solicited. This bill increases that \$25,000 threshold to \$50,000.

**\*\*\* ANALYSIS FROM -1252/P3 \*\*\***

Under current law, DOA must generally approve and monitor contractual services that agencies purchase. No agency may purchase contractual services that involve an estimated expenditure of more than \$25,000 without first conducting a uniform cost-benefit analysis. Also, each agency entering into a contract must submit to DOA justification for the contract, and DOA must be satisfied that the justification conforms to current law before <sup>approving</sup> ~~it can approve~~ the contract. In addition,

; and the Office of State Employment Relations must review contracts to do all of the

2 following ensure that the purchasing agency properly uses the services of state employees <sup>g → s to</sup> evaluate the feasibility of using limited term appointments prior to entering into a contract <sup>g → s to</sup> and ensure that the contract does not conflict with any collective bargaining agreement covering state employees. This bill repeals these provisions.

**\*\*\* ANALYSIS FROM -1259/P3 \*\*\***

Under current law, a state agency purchasing equipment that consumes energy, such as equipment to provide heating, lighting, ventilation, cooling, or refrigeration, must meet certain energy efficiency standards. This bill exempts from the standards purchases that cost \$5,000 or less per unit.

**\*\*\* ANALYSIS FROM -1263/P2 \*\*\***

This bill requires DOA to maintain a list of parties who have violated a state procurement contract or a statutory provision governing state procurement. Any party on the list is ineligible to be a party to a state contract unless DOA, after determining that the party complies with the statutory provisions and has adequate safeguards to prevent future contractual or statutory violations, removes the party from the list.

2 This bill also defines the UW-Madison <sup>University of Wisconsin-Madison</sup> authority <sup>authority</sup> created in this bill, as a state agency for state procurement purposes except <sup>that</sup> the bill provides the UW-Madison the authority to enter into contracts for items not commonly purchased by entities other <sup>than</sup> ~~than~~ <sup>then</sup> universities and allow the UW-Madison <sup>authority</sup> to be party to purchasing agreements with other higher education institutions.

**\*\*\* ANALYSIS FROM -0778/3 \*\*\***

**OTHER STATE GOVERNMENT**

Currently, eligible candidates for the office of justice of the supreme court may receive state grants from the democracy trust fund. The grants are funded from

democracy trust

general purpose revenue, which is provided to the fund when individual income tax filers designate \$2 to be deposited into the fund. <sup>I</sup> Currently if the designations for the fund do not generate sufficient revenue, <sup>for all candidates to receive full grants</sup> the deficiency is covered with an <sup>paid</sup>

<sup>appropriation</sup> appropriation of <sup>a from a</sup> general purpose revenue so that grants to all candidates are paid <sup>(GPR)</sup>

in full. Currently <sup>A</sup> an eligible candidate for the office of justice of the supreme court

<sup>under certain circumstances</sup> may also receive supplemental grants from the fund <sup>if</sup> 1) the candidate is opposed

by one or more candidates who decline to accept grants and who do not adhere to a

specified spending level that is close to the grant amounts; and 2) if one or more

persons make independent expenditures in opposition to the candidate or in support

of one or more of the candidate's opponents. Candidates are severely limited in the

total amount of private contributions that they may accept. <sup>GPR</sup> This bill deletes the

supplement to the democracy trust fund from general purpose revenue. <sup>pay</sup> Under the

bill, if there are insufficient moneys available to make payment of the full amounts

of grants to which candidates are entitled, the grants are prorated. The bill also

deletes the supplemental grants. The bill permits candidates who accept grants to

also accept additional private contributions in an amount sufficient to cover any

deficiency in the public grants to which they would otherwise be entitled. The bill

applies to grants awarded after December 31, 2011.

\*\*\* **ANALYSIS FROM -1224/P3** \*\*\*

Current law creates the Office of Energy Independence (OEI) in DOA and

requires OEI to work on and facilitate the implementation of initiatives with certain

goals regarding the state's energy independence, bioindustry and biorefineries,

renewable energy markets, alternative energy research, and motor vehicle fuels that

blend gasoline and certain biofuels. Current law also requires OEI to do the

following: 1) serve as a single point of contact for assistance in biodevelopment,

energy efficiency, and energy independence; 2) develop energy independence policy options; 3) identify and facilitate federal funding opportunities; 4) perform duties to maintain federal energy funding; 5) pursue, in cooperation with DATCP, the establishment and maintenance of sufficient alternative fuel refueling facilities to meet the traveling needs of the public; 6) adopt and implement a plan to facilitate usage of alternative fuels in state-owned vehicles; and 7) coordinate with other state agencies the preparation of a biennial strategic assessment for biomass used to produce energy. This bill eliminates OEI and all the foregoing duties, and requires

DOA to develop and implement a cost-effective, balanced, reliable, and environmentally responsible energy strategy to promote economic growth. <sup>and</sup>

~~Current law also requires DOA to require that state agencies take certain actions regarding hybrid-electric motor vehicles and using gasohol and other alternative fuels. This bill~~ <sup>now</sup> requires DOA, whenever feasible and cost-effective, to

encourage, rather than require, state agencies to take <sup>certain</sup> ~~the~~ actions. ~~The bill also~~

~~changes deadlines for reducing the usage of gasoline and diesel fuel in state-owned vehicles.~~

Under current law, DOA must require that, by 2015, state agencies collectively reduce the usage of gasoline by at least 50 percent below the total used in 2006 and reduce the usage of diesel fuel by at least 25 percent below the total used in 2006. Under this bill, DOA must encourage, rather than require, that, by 2015, state agencies collectively reduce the usage of gasoline by at least 20 percent below the total used in 2006 and reduce the usage of diesel fuel by at least 10 percent below the total used in 2006. The bill also eliminates a requirement for DOA to submit an annual report to the legislature regarding the state's usage of hybrid-electric motor vehicles and gasohol and alternative fuels.

2 *Makes makes*  
Under current law, DOA administers a program for making grants from the utility public benefits fund (UPBF) to provide assistance to low-income households for the following: 1) weatherization and other energy conservation services (weatherization and conservation assistance); and 2) payment of energy bills and early identification or prevention of energy crises (bill and crisis assistance). In each fiscal year, DOA must ensure that the amount spent under the program on grants for weatherization and conservation assistance is equal to 47 percent of the sum of *specified a specified*

*specified*  
the following: 1) the amounts received under certain federally funded weatherization and energy-assistance programs; 2) the amount spent by certain electric and natural gas utilities on assistance to low-income households; 3) the amount spent on all programs funded by the UPBF; and 4) the amount of monthly low-income assistance fees that certain municipal electric utilities and electric retail cooperatives are required to collect from their customers and members. As a result, 53 percent of the ~~above~~ sum is available to be spent on grants under the program for bill and crisis assistance.

*2* *was authorized was authorized*  
*2* However, in fiscal years 2009-10 and 2010-11, current law allowed DOA to subtract no more than \$10,000,000 from the amount that must be spent on weatherization and conservation assistance under the program. As a result, any amount subtracted by DOA was available to be spent on bill and crisis assistance. This bill allows DOA to make the same \$10,000,000 subtraction in fiscal years 2011-12 and 2012-13.

*with certain exceptions*  
**\*\*\* ANALYSIS FROM -1187/P6 \*\*\***

*2*  
Currently, except as otherwise provided by law, the records of a state or local governmental officer or entity are subject to the right of public inspection and copying unless the custodian demonstrates that the public interest in withholding

access to the information in a record outweighs the strong public interest in providing access to that information. This bill permits any public institution of higher education to withhold from access any information that is produced or collected by or for the faculty or staff of the institution in the conduct of, or as a result of, study or research on a commercial, scientific, or technical subject until that information is publicly disseminated or patented.

Under current law, the chancellor of the UW-Madison and the vice chancellor who serves as deputy are subject to the standards of conduct under the code of ethics for state public officials as well as the requirement to file annual statements of economic interests. Other employees of the UW-Madison are subject to a code of ethics established by the Board of Regents of the UW System. *Under the bill* This bill continues

*are still subject to* coverage of the chancellor and vice chancellor *under the* the code of conduct but not *to* under the filing requirement, and *directs* the Board of Trustees of the authority *to* establish a code of ethics for other employees of the authority. *University of Wisconsin-Madison*

Currently, DOA manages the state's risk management program, including worker's compensation and liability insurance, and annually assesses each state agency, including the UW System, for its risk management costs. This bill permits the authority, with *six* 6 months' notice, to opt in or out of the state's risk management program for any fiscal year.

**\*\*\* ANALYSIS FROM -1088/1 \*\*\***

Under current law, certain administrative services functions are performed in the Office of the Secretary of State and certain management services functions are performed in the Office of the State Treasurer. This bill transfers those functions, as determined by the secretary of administration, to DOA. The bill, however, does not transfer any positions relating to those functions. *University of Wisconsin-Madison*

*created in the bill*

NOT between this analysis and preceding analysis

\*\*\* ANALYSIS FROM -1090/2 \*\*\*

The bill also eliminates from the unclassified service one stenographer appointed by the secretary of state and one stenographer appointed by the state treasurer.

\*\*\* ANALYSIS FROM -1450/2 \*\*\*

This bill creates an Office of Business Development in DOA. The office is headed by a director outside the classified service who is appointed by the governor to serve at his or her pleasure. ~~The bill provides that the office shall perform the functions determined by the secretary of administration.~~ to

\*\*\* ANALYSIS FROM -1322/2 \*\*\*

Currently, DOA may maintain a federal-state relations office in Washington, D.C., for the purpose of promoting federal-state cooperation. The director and one staff assistant are appointed by the governor, subject to concurrence of the Joint Committee on Legislative Organization. This bill deletes the requirement for concurrence in these appointments by the joint committee.

\*\*\* ANALYSIS FROM -1221/3 \*\*\*

Currently, DOA must contract with one or more child care providers to supplement the cost of providing suitable space for child care services provided to the children of employees of state agencies whose work stations are located in the central Madison area. DOA must assess the costs of providing child care services to state agencies on an equitable basis as determined by DOA, and the agencies may draw upon program supplement appropriations to finance any unbudgeted costs for these assessments. This bill eliminates DOA's authority to enter into these contracts and to provide child care facilities for state employees.

\*\*\* ANALYSIS FROM -1448/1 \*\*\*

Currently, with limited exceptions, any person who brings a civil lawsuit against a state employee on account of any act growing out of or committed in the



course of the employee's duties must give the attorney general notice of the claim within 120 days of the act giving rise to the lawsuit, and liability is limited to \$250,000. In addition, with certain limitations, this state must pay damages assessed against a state employee for acts committed while carrying out his or her duties as an employee within the scope of employment.

This bill provides that if this state enters into a valid agreement with the state of Minnesota providing for interchange of employees or services, any employee of the state of Minnesota who is named as a defendant in any civil lawsuit brought under Wisconsin law as a result of performing services for this state under <sup>the</sup> such an

agreement and any employee of this state who is named as defendant as a result of performing services for the state of Minnesota under <sup>the</sup> such an agreement <sup>is</sup>

<sup>has</sup> considered to have the same status as when performing the same services for this state in any civil lawsuit brought under the laws of this state for purposes of notice

of claim requirements and liability limitations. In addition, the bill provides that

any employee of the state of Minnesota who is <sup>found liable</sup> named as a defendant in a civil lawsuit

and who is <sup>the</sup> found liable as a result of performing services for this state under such

an agreement shall be indemnified by this state to the same extent as an employee of this state performing the same services for this state under Wisconsin law. The

bill also directs DOJ to represent any employee of the state of Minnesota who is

named as a defendant in any civil lawsuit brought under Wisconsin law as a result

of performing services for this state under <sup>the</sup> such an agreement and any employee of

this state who is named as a defendant as a result of performing services for the state

of Minnesota under <sup>the</sup> such an agreement in any civil lawsuit brought under Wisconsin

law.

WLJ

**TAXATION**

move to 87-A

**INCOME TAXATION**

move to 87B

Under current law, there are five income tax brackets for single individuals, certain fiduciaries, heads of households, and married persons (tax filers). The brackets are indexed for inflation. The rate of taxation under current law for the lowest bracket for tax filers is 4.6 percent of taxable income; the rate for the second bracket is 6.15 percent; the rate for the third bracket is 6.5 percent; the rate for the fourth bracket is 6.75 percent; and the rate for the highest bracket, which was created in the 2009-11 biennial budget act, 2009 Wisconsin Act 28, is 7.75 percent.

With regard to taxable year 2010, for single individuals, certain fiduciaries, and heads of households, for example, the lowest bracket applies to taxable income of over \$0 up to \$10,070; the second bracket applies to taxable income over \$10,070 up to \$20,130; the third bracket applies to taxable income over \$20,130 up to \$151,000; the fourth bracket applies to taxable income over \$151,000 up to \$221,660; and the fifth, or top, bracket applies to taxable income over \$221,660.

Currently, an individual filing an individual income tax return who has a tax liability or who is entitled to a tax refund may designate \$3 for the Wisconsin election campaign fund and the democracy trust fund. If the designation is made, \$2 of general purpose revenue is allocated to the democracy trust fund, which is used to finance the campaigns of eligible candidates for the office of justice of the supreme court and \$1 of general purpose revenue is allocated to the Wisconsin election campaign fund, which is used to finance the campaigns of eligible candidates for certain other state offices specified by law. A designation does not affect the amount of the tax liability of, or the amount of any refund payable to, the individual making the designation.

This bill provides that any designation of \$3 for the Wisconsin election campaign fund and the democracy trust fund made by an individual is added to the individual's tax liability or deducted from the individual's refund otherwise payable. The bill applies to designations made after December 31, 2011.

For taxable years beginning on January 1, 2012, this bill eliminates the fifth bracket. For taxable year 2012, with regard to single individuals, certain fiduciaries, and heads of households, for example, the fourth, or top, bracket of 6.75 percent will apply to taxable income over approximately \$151,000, as indexed for inflation. Also under the bill, beginning in taxable year 2013, the rates of taxation are reduced over a five-year period. The total rate reduction in each bracket is approximately 2.5 percent at the end of the five-year phase in period.

Under the bill, the tax rate in the lowest bracket is reduced from 4.60 percent in 2012 to 4.58 percent in 2013; 4.56 percent in 2014; 4.54 percent in 2015; 4.52 percent in 2016; and 4.50 percent in 2017 and beyond. The rate in the fourth, or top, bracket is reduced from 6.75 percent in 2012 to 6.72 percent in 2013; 6.69 percent in 2014; 6.66 percent in 2015; 6.63 percent in 2016; and 6.60 percent in 2017 and beyond. The brackets will continue to be indexed for inflation as is the case under current law.

**\*\*\* ANALYSIS FROM -1148/1 \*\*\***

Under current law, for claims filed in 2011, based on property taxes or rent constituting property taxes from the prior year, the homestead tax credit threshold income is \$8,060, the maximum property taxes, or rent constituting property taxes, that a claimant may use in calculating his or her credit are \$1,460, and the maximum household income is \$24,680. Under the current law formula, as a claimant's income exceeds \$8,060, the credit is phased out until the credit equals zero when income

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exceeds \$24,680. Also under the formula, if the household income is \$8,060 or less, the credit is 80 percent of the property taxes <sup>accrued</sup> or rent constituting property taxes <sup>accrued</sup>. Using the formula, the credit that may be claimed ranges from \$10 to \$1,168. Also under current law, for claims filed in 2011 and thereafter, the ~~maximum household~~ income, maximum property taxes, and maximum household income are all indexed for inflation.

Under this bill, the indexing provisions are repealed and, for claims filed in 2011 and thereafter, the threshold income <sup>is \$8,060</sup>, <sup>the</sup> <sup>maximum</sup> property taxes, or rent constituting property taxes, that a claimant may use in calculating his or her credit are \$1,460, and <sup>the</sup> <sup>maximum</sup> household income <sup>is \$24,680</sup> <sup>are the same as those for claims filed in 2011</sup>

**\*\*\* ANALYSIS FROM -1409/P2 \*\*\***

Under current law, as created in the 2009-10 biennial budget bill, for taxable years beginning after December 31, 2010, an individual; an individual partner or member of a partnership, limited liability company, or limited liability partnership; or an individual shareholder of a tax-option corporation (claimant) may elect to defer the payment of income taxes on up to \$10,000,000 of the gain realized from the sale of any capital asset held more than one year (original asset) that is treated as a long-term gain under the Internal Revenue Code (IRC), if the claimant completes a number of requirements.

This bill creates another income tax deferral under which a claimant may elect to defer the payment of income taxes on any amount of the gain realized from the sale of any capital asset held more than one year (original new asset) that is treated as a long-term gain under the IRC, if the claimant completes a number of requirements.

Current law requires that the claimant must place the gain from the original asset in a segregated account in a financial institution, must invest all of the proceeds

in a qualified new business venture (QNBV) as certified by the Department of Commerce <sup>e</sup> ~~Commerce~~, within 180 days after the sale of the original asset that generated the gain, and must notify DOR on a form prepared by DOR that the claimant is deferring the payment of income tax on the gain from the original asset because the proceeds have been reinvested. The amount of the investment must be equal to or greater than the gain generated by the sale of the original asset.

The requirements under the bill are the same as current law with regard to placing the original new asset in a segregated account in a financial institution and notifying DOR, but under the bill a claimant must invest all of the proceeds in a qualified Wisconsin business (QWB) as certified by the Wisconsin Economic Development Corporation (~~corporation~~) <sup>WEDC</sup>, within 180 days after the sale of the original new asset that generated the gain, instead of in a QNBV.

Under current law, a business may be certified as a QNBV by Commerce if the business is engaged in developing a new product or business process, manufacturing, agriculture, or processing or assembling products and conducting research and development, except that Commerce may not certify a business engaged in certain activities, including real estate development, insurance, banking, lobbying, wholesale or retail sales, leisure, hospitality, transportation, or construction.

<sup>as a QWB</sup>  
~~The corporation~~ may certify a business if it determines that, in the taxable year ending immediately before the date of the business's application, at least 50 percent of the business's payroll is paid in Wisconsin and at least 50 percent of the value of the business's real and tangible personal property is used by the business in this state. The bill permits <sup>WEDC</sup> ~~the corporation~~ to adopt rules in consultation with DOR, and it requires ~~the corporation~~ to make a list of certified businesses available at ~~the~~

~~corporation's~~ Web site.

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Under the bill, a claimant may not claim the deferral under this bill if the claimant also claims the current law deferral or the capital gains exclusion for Wisconsin-sourced assets, as created in this bill.

**\*\*\* ANALYSIS FROM -1283/4 \*\*\***

Under current law, there is an income tax exclusion for individuals for 30 percent of the net capital gains realized from the sale of assets held for at least one year, except a farm asset is subject to an exclusion for 60 percent of such gains.

Under this bill, ~~and~~ subject to some exceptions, for taxable years beginning after December 31, 2015, a claimant may subtract from federal adjusted gross income the lesser of the claimant's federal net capital gain as reported on the claimant's federal tax return if, in that year, the claimant had a qualifying gain, or the claimant's qualifying gain.

The bill defines "qualifying gain" as the gain realized by the sale of any asset that is purchased after December 31, 2010, held for at least five consecutive years, is a Wisconsin capital asset at the time of purchase and for at least two of the next four years, and treated as a long-term gain under federal law. A "Wisconsin capital asset" is real or tangible personal property that is located in this state and used in a Wisconsin business, or stock or other ownership interest in a Wisconsin business.

Under the bill, a business may apply to the corporation for annual certification. The corporation may certify a business if it determines that, in the taxable year ending immediately before the date of the business's application, at least 50 percent of the business's payroll is paid in Wisconsin and at least 50 percent of the value of the business's real and tangible personal property is used by the business in this state. The bill permits the corporation to adopt rules in consultation with DOR, and it

requires the corporation to make a list of certified businesses available at the corporation's Web site.

**\*\*\* ANALYSIS FROM -1003/P4 \*\*\***

Under current law, for each taxable year that a corporation that is a member of a combined group has net business loss carry-forward from a taxable year beginning on or after January 1, 2009, the corporation may, after using such net business loss carry-forward to offset its own income for the taxable year, use the remaining net business loss carry-forward to offset the income of all other members of the combined group.

Under the bill, for each taxable year that a corporation that is a member of a combined group has net business loss carry-forward from a taxable year beginning prior to January 1, 2009, the corporation may, after using such net business loss carry-forward to offset its own income for the taxable year, use up to 5 percent of the remaining net business loss carry-forward to offset the income of all other members of the combined group.

**\*\*\* ANALYSIS FROM -1051/P2 \*\*\***

Under current law, a taxpayer may elect to include in its combined group, for income and franchise tax reporting purposes, every corporation in its commonly controlled group, regardless of whether such corporations are engaged in the same unitary business of the taxpayer. If DOR determines that the election has the effect of tax avoidance, DOR must disregard the election's tax effect or disallow the election. Under the bill, DOR may not disallow such an election, or disregard its effect, regardless of whether DOR determines that the election has the effect of tax avoidance.

**\*\*\* ANALYSIS FROM -1147/1 \*\*\***

Under federal law, the earned income tax credit (EITC) is a refundable tax credit for low-income workers. If the amount of the claim exceeds the worker's tax liability, the claimant receives a check for the excess amount from the Internal Revenue Service. The amount of the credit for which a claimant is eligible is based, in part, on whether the claimant has no qualifying children, one qualifying child, or more than one qualifying child.

Under current law, <sup>an individual may claim</sup> the refundable Wisconsin EITC may be claimed in an amount equal to a certain percentage of the federal basic EITC. To be eligible for the Wisconsin EITC, an individual must have <sup>if he or she has</sup> one or more qualifying children. The Wisconsin EITC is equal to 4 percent of the federal <sup>EITC</sup> credit if the claimant has one qualifying child, 14 percent of the federal credit if the claimant has two qualifying children, and 43 percent of the federal credit if the claimant has three or more qualifying children.

<sup>for the Wisconsin EITC</sup> This bill changes the percentages of the federal <sup>EITC</sup> credit that may be claimed under Wisconsin law. Under this bill, for taxable years starting after December 31, 2010, the Wisconsin EITC is equal to 5 percent of the federal credit if the claimant has one qualifying child, 8 percent of the federal credit if the claimant has two qualifying children, and 40 percent of the federal credit if the claimant has three or more qualifying children.

\*\*\* ANALYSIS FROM -1260/P4 \*\*\*

The bill adopts, for state income and franchise tax purposes, recent changes made to the federal IRC related to tax credit bonds, allowing Roth individual retirement accounts in certain retirement plans, annuity contracts, and long-term care annuities.

\*\*\* ANALYSIS FROM -0167/P1 \*\*\*



Under current law, for calendar years beginning after December 31, 2007, a person who claims an early stage seed or angel investment income and franchise tax credit must pay back the amount of the credit, if the person holds the investment for which the credit relates for less than three years. The bill makes clear that investments made after December 31, 2007, must be held for at least three years in order for the investor to receive and keep the amount of the credit.

**\*\*\* ANALYSIS FROM -0169/P3 \*\*\***

Under current law, an investment in a qualified new business venture may be claimed as an angel investment income and franchise tax credit if the investment is made by certain persons, including partnerships and liability companies that are nonoperating entities, as determined by Commerce. The bill clarifies that, under current law, a tax-option corporation that is a nonoperating entity, as determined by Commerce, may also make investments that may be claimed as angel investment credits.

**\*\*\* ANALYSIS FROM -0687/P1 \*\*\***

Under current law, the interest income from bonds issued by WHEFA is exempt from income taxation if ~~the bond proceeds are used by~~ <sup>uses the bond proceeds</sup> a health facility to acquire information technology hardware or software. Under the bill, the interest income from bonds issued by WHEFA is also exempt from income taxation if the bonds are issued to a person who is eligible to receive bonds from another issuer for the same purpose and the interest income received from the other bonds is exempt from taxation.

**\*\*\* ANALYSIS FROM -0735/P1 \*\*\***

The bill changes the appropriation for the jobs tax credit from an annual appropriation to a continuing appropriation.

**\*\*\* ANALYSIS FROM -0738/P1 \*\*\***

The bill changes the annual appropriation for the dairy manufacturing facility investment tax credit to a continuing appropriation.

**\*\*\* ANALYSIS FROM -0711/P4 \*\*\***

**OTHER TAXATION**

Under the bill, a percentage of the sales and use tax collected on the sale or use of motor vehicle parts and accessories is deposited into the transportation fund.

**\*\*\* ANALYSIS FROM -1218/P1 \*\*\***

Under current law, certain aircraft, motor vehicles, and truck bodies that are sold in this state, but used outside this state, are exempt from state and local sales and use taxes. The bill exempts from state and local sales and use taxes modular and manufactured homes that are sold in this state, but used outside this state.

**\*\*\* ANALYSIS FROM -1219/P2 \*\*\***

*will be* ← The bill exempts from state and local sales and use taxes vegetable oil or animal fat that ~~is~~ converted into motor vehicle fuel that is exempt from motor vehicle fuel taxes because it is used by an individual in his or her personal motor vehicle.

**\*\*\* ANALYSIS FROM -1220/P1 \*\*\***

Under current law, generally, a railroad company pays public utility taxes based on the value of its property in this state, rather than general local property taxes. All such taxes paid by railroad companies are annually distributed to the towns, villages, and cities in which railroad company property is located. The bill provides that, beginning in 2011, the amount of such taxes distributed to each town, village, or city ~~is~~ *maybe* no less than the amount distributed to each town, village, or city in 2010.

**TRANSPORTATION**

**\*\*\* ANALYSIS FROM -1403/4 \*\*\***

**HIGHWAYS**

Under current law, DOT administers a major highway projects program. With certain exceptions, a major highway project is a project that has a total cost of more

than \$5,000,000 <sup>2</sup> ~~and that~~ <sup>2</sup> meets other specified criteria. <sup>2</sup> Any major highway project, <sup>2</sup> unlike other highway construction projects undertaken by DOT, <sup>2</sup> ~~and~~ <sup>2</sup> must generally receive the approval of the Transportation Projects Commission (TPC) and the legislature (generally referred to as "enumeration") <sup>2</sup> before the project may be <sup>2</sup> constructed. DOT may not begin preparing an environmental impact statement (EIS) or environmental assessment (EA) for a potential major highway project <sup>2</sup> and <sup>2</sup> without TPC approval. <sup>2</sup> The legislature may not enumerate any major highway project <sup>2</sup> unless the TPC has recommended approval of the project. If certain conditions are satisfied, DOT may perform preliminary engineering and design work for a major highway project but may not undertake construction of the project until the legislature has enumerated the project by statute. <sup>2</sup> The major highway projects <sup>2</sup> ~~program is~~ <sup>2</sup> funded from state, federal, and local funds appropriations and bond proceeds. <sup>2</sup> <sup>are</sup>

*Without TPC approval*

Under current law, southeast Wisconsin freeway rehabilitation projects include certain improvements to state trunk highways located in Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, or Waukesha county. A project may not be considered both a major highway project and a southeast Wisconsin freeway rehabilitation project. Southeast Wisconsin freeway rehabilitation projects, which include the Marquette interchange reconstruction project, the I 94 north-south corridor project, and the Zoo interchange project in Milwaukee County, may be funded only from appropriations specifically designated for such projects or from bond proceeds. Southeast Wisconsin freeway rehabilitation projects that involve adding at least one lane five miles or more in length cannot be funded from state, federal, and local funds appropriations without legislative approval, accomplished through statutory enumeration. Only the reconstruction of the I 94 north-south

corridor project and the Zoo interchange have been so enumerated.) After June 30, 2011, funding under the state, federal, and local funds appropriations for southeast Wisconsin freeway rehabilitation projects terminates, but bond proceeds may still be used to fund these projects.

<sup>currently</sup> In addition to the major highway projects program and the southeast Wisconsin freeway rehabilitation program, DOT administers a state highway rehabilitation program. This program provides funding for state highway improvements that are not major highway projects or southeast Wisconsin freeway rehabilitation projects.

<sup>and</sup> This program is funded from state, federal, and local funds appropriations and bond proceeds. <sup>are</sup>

Under current law, the general obligation bond proceeds that may be used to fund major highway projects, southeast Wisconsin freeway rehabilitation projects, and state highway rehabilitation projects, as applicable, are authorized in various statutory provisions, which set maximum-bonding levels for these projects. The total authorized amount of general obligation bonding available for these projects is the cumulative amount specified in these provisions.

This bill modifies the definition of "major highway project" to recognize two categories of major highway projects. In the first category, a major highway project is defined as under current law except that the total cost threshold is increased by the bill from \$5,000,000 to \$30,000,000. In the second category, with certain exceptions, a major highway project is a project <sup>that costs</sup> having a total cost of at least \$75,000,000. For both categories of major highway projects, the total cost threshold <sup>is adjusted annually by DOT</sup> is adjusted annually by DOT based on an inflation index. The bill maintains the current TPC review and approval process for major highway projects in the first category but creates a new TPC review and approval process for major highway

DOT  
annually  
adjusts

projects in the second category. Under the bill, DOT may prepare an EIS or EA for a major highway project in the second category without TPC approval. However,

*but,* prior to construction of the project, DOT must submit a report to the TPC and request TPC approval to proceed with the project.

If the chairperson of the TPC, which is the governor, does not notify DOT within 14 working days after this request for approval is submitted that the TPC has scheduled a meeting for the purpose of reviewing the request, the request is considered approved and DOT may proceed with the project.

If, within 14 working days after DOT submits the request, the chairperson of the TPC notifies DOT that the TPC has scheduled a meeting for the purpose of reviewing the request, DOT may implement the request only as approved by the TPC. DOT may

not proceed with construction of a major highway project in the second category unless the project is approved, implicitly or explicitly, by the TPC under this passive review process. Once approved by the TPC, the project is considered enumerated

as a major highway project under the statutes. With respect to major highway projects in the first category, the bill also allows DOT to perform engineering and design work, not limited to preliminary engineering and design work, for a major highway project prior to its statutory enumeration by the legislature.

The bill also creates a new category of highway projects called "southeast Wisconsin freeway megaprojects," which are projects on southeast Wisconsin freeways that have a total cost of more than \$500,000,000 as adjusted for inflation annually by DOT. These projects may be funded only from newly created state, federal, and local funds appropriations for these projects, along with bond proceeds and an existing insurance cost-recovery appropriation. No funding for construction of these projects may be provided without legislative approval by statutory enumeration. The bill enumerates the I 94 north-south corridor project and the Zoo

interchange project as southeast Wisconsin freeway megaprojects. The bill also authorizes proceeds from certain general obligation bonding to be used to fund southeast Wisconsin freeway megaprojects.

Under this bill, southeast Wisconsin freeway rehabilitation projects may also be considered major highway projects, eligible for major highway project funding, if they satisfy all criteria and requirements for major highway projects, including approval through the TPC process and statutory enumeration. A southeast Wisconsin freeway rehabilitation project that is not a major highway project and not a southeast Wisconsin freeway megaproject may be eligible for state highway rehabilitation funding. However, a southeast Wisconsin freeway rehabilitation project cannot also be considered a southeast Wisconsin freeway megaproject.

Under current law, among the sources for funding southeast Wisconsin freeway rehabilitation projects, the state may contract up to \$553,550,000 in public debt, in the form of general obligation bonds, for DOT's funding of the Marquette interchange reconstruction project and the I 94 north-south corridor reconstruction project.

204 This bill increases from \$553,550,000 to \$704,750,000 the limit for this authorized general obligation bonding and allows proceeds from this bonding to also be used to fund another southeast Wisconsin freeway rehabilitation project, the reconstruction of the Zoo interchange.

Several other provisions of current law allow the state to contract public debt for transportation-related purposes.

**\*\*\* ANALYSIS FROM -1167/2 \*\*\***

Under one provision of current law, the state may contract up to \$504,712,200 in public debt to fund state highway rehabilitation projects. This bill increases this authorized general obligation bonding limit by \$115,351,500.

**\*\*\* ANALYSIS FROM -1470/1 \*\*\***

Under another provision of current law, the state may contract up to \$60,000,000 in public debt to fund state highway rehabilitation projects. This bill increases this authorized general obligation bonding limit to \$110,000,000.

Under another provision of current law, the state may contract up to \$50,000,000 in public debt to fund major highway projects. This bill increases this authorized general obligation bonding limit to \$100,000,000.

**\*\*\* ANALYSIS FROM -0313/3 \*\*\***

Under current law, the Building Commission may issue revenue bonds for major highway projects and transportation administrative facilities in a principal amount that may not exceed \$3,009,784,200.

*wdt* This bill increases the revenue bond limit from \$3,009,784,200 to \$3,351,547,300.

**\*\*\* ANALYSIS FROM -1168/1 \*\*\***

This bill adds four major highway projects recommended by TPC to the current list of enumerated projects already approved for construction.

**\*\*\* ANALYSIS FROM -1384/2 \*\*\***

Under current law, the state may contract up to \$225,000,000 in public debt to fund major interstate bridge projects. DOT may not encumber or expend any funds collected under this bonding authorization unless the state receives federal funds that cover at least \$75,000,000 of the state's share of the project's cost. This bill eliminates the federal funds precondition.

*but only if*

**\*\*\* ANALYSIS FROM -0321/4 \*\*\*****DRIVERS AND MOTOR VEHICLES**

Under 2007 Wisconsin Act 20 (the biennial budget act), certain provisions specified in the federal REAL ID Act of 2005 are incorporated into state law when DOT provides notice that it is ready to implement the federal REAL ID Act. Among

*under certain circumstances*

these provisions is the requirement that DOT follow certain procedures in processing applications for driver's licenses and identification cards and that each driver's license and identification card include a photograph. Although the REAL ID Act allows states to issue operator's licenses and identification cards that are not compliant with REAL ID standards if they clearly state on their face that they are not REAL ID compliant, this provision was not incorporated into state law.

This bill allows DOT, upon the implementation of the REAL ID Act in Wisconsin, to process applications for driver's licenses and identification cards in a manner other than that required by REAL ID if the driver's licenses and identification cards are marked to indicate that they are not REAL ID compliant and DOT processes the applications in compliance with DOT practices and procedures applicable immediately prior to implementation of REAL ID. An applicant for a REAL ID noncompliant driver's license or identification card will still be required to provide <sup>certain documentation</sup> to DOT: 1) an identification document that includes either the applicant's photograph or both the applicant's full legal name and date of birth; 2) documentation showing the applicant's date of birth, which may be the same as item 1); 3) proof of the applicant's social security number or verification that the applicant is not eligible for a social security number; 4) documentation showing the applicant's name and address of principal residence; and 5) documentary proof that the applicant is a U.S. citizen or is otherwise lawfully present in the United States.

*but*  
*3* However, in processing an application for a REAL ID noncompliant driver's license or identification card, DOT is not required to meet the standards for document retention and verification that are imposed for REAL ID compliant products.

Current law provides for limited exceptions allowing DOT to issue a driver's license that does not contain a photograph of the license holder, including by DOT

*but not an identification card*

*including a religious belief exception*



rule, ~~a religious belief exception~~. There are no similar photograph exceptions under current law for identification cards. Under current law, after the implementation of REAL ID, all REAL ID compliant driver's licenses and identification cards must contain a photograph. *however,* *This bill creates*

*not* Under this bill, until the implementation of the REAL ID Act, the photograph exception for driver's licenses continues and a ~~new~~ <sup>514</sup> religious belief photograph exception ~~is created~~ for identification cards. After the implementation of REAL ID, *and creates,* *after* this bill creates a religious belief photograph exception for REAL ID noncompliant driver's licenses and identification cards.

**\*\*\* ANALYSIS FROM -0056/1 \*\*\***

Under current law, DOT issues and delivers a certificate of title to the owner of a vehicle upon receipt of a proper application *to title the vehicle*. If there is a security interest in the vehicle, the security interest is noted on the certificate of title and the vehicle owner, not the secured party, holds the certificate of title.

Under this bill, if there is a security interest in a vehicle, DOT issues the certificate of title in the name of the vehicle owner but delivers the certificate of title to the secured party having the primary perfected security interest in the vehicle. *not to the vehicle owner*

Therefore, the secured party, not the vehicle owner, holds the certificate of title. This certificate of title may be in an automated format, including an electronic or digital form.

**\*\*\* ANALYSIS FROM -0040/P1 \*\*\***

Under current law, DOT must refuse, or suspend, registration of a vehicle for certain specified reasons. *and* Current law ~~also~~ requires DOT, subject to certain conditions, to implement the International Registration Plan (IRP). The IRP is a registration reciprocity agreement among various jurisdictions, including states and *which*

Canadian provinces, providing for apportionment by these jurisdictions of the vehicle registration fees of motor carriers operating in more than one jurisdiction.

This bill requires DOT to refuse registration of a vehicle if the applicant applies for IRP registration and the applicant identifies as the motor carrier responsible for vehicle safety a motor carrier that is subject to a federal out-of-service order, or other federal notice, for unsatisfactory safety compliance. For motor vehicles already registered with DOT under the IRP, if DOT receives notice that a motor carrier has been issued a federal out-of-service order for unsatisfactory safety compliance, DOT must suspend the registration of each motor vehicle for which this motor carrier is identified on the vehicle's registration application as the motor carrier responsible for vehicle safety.

*that is already registered with DOT under the IRP*

Current law prohibits a person from operating a commercial motor vehicle while the person or the ~~commercial motor vehicle~~ <sup>CMV</sup> is ordered out-of-service under state or federal law. <sup>CMV</sup> A person is disqualified from operating a ~~commercial motor vehicle~~ <sup>CMV</sup> for a specified time period if the person is convicted of operating a ~~commercial motor vehicle~~ <sup>CMV</sup> while the operator or vehicle is ordered out-of-service under state or federal law.

<sup>additionally</sup> This bill prohibits a person from operating a ~~commercial motor vehicle~~ <sup>CMV</sup> for which the motor carrier identified on the motor vehicle's registration application as the motor carrier responsible for vehicle safety ~~has been issued a federal out-of-service order for unsatisfactory safety compliance while this federal out-of-service order is in effect.~~

\*\*\* ANALYSIS FROM -0318/3 \*\*\*  
\*\*\* ANALYSIS FROM -0056/1 \*\*\*

Under current law, all vehicle registration plates must display an indication of the vehicle's registration period or expiration date and most automobile registration plates must display an indication of the month and year of registration. When renewing a vehicle registration, DOT may issue an insert tag, decal, or other evidence of registration, to be placed on the vehicle's registration plate, to indicate the vehicle's period of registration. In addition, under current law, the registration plates for most vehicles registered on the basis of gross weight must indicate the weight class into which the vehicle falls.

This bill eliminates <sup>each of these</sup> the requirements that vehicle registration plates display an indication of the vehicle's registration period or expiration date and that most automobile registration plates display an indication of the month and year of registration. The bill also eliminates DOT's issuance of insert tags and decals to indicate a vehicle's period of registration when renewing the vehicle's registration. The bill further eliminates the requirement that registration plates for most vehicles registered on the basis of gross weight indicate the weight class into which the vehicle falls. <sup>Instead,</sup> the gross weight <sup>of a vehicle registered on that basis</sup> must be shown on the vehicle's certificate of registration. This bill allows DOT to renew registration plates issued to vehicle dealers, distributors, manufacturers, or transporters, or to finance companies or financial institutions without issuing new plates, tags, or decals.

**\*\*\* ANALYSIS FROM -0429/2 \*\*\***

Under current law, DOT issues commercial driver licenses (CDLs) authorizing the licensee to operate certain commercial motor vehicles (CMVs). An application to DOT for a CDL authorizing interstate operation of CMVs must include a certification by the applicant that he or she meets certain driver qualification requirements. If the application is for a CDL authorizing only intrastate operation

interstate or intrastate commerce

155 An applicant must include certification that he or she meets certain driver qualification requirements.

of CMVs, the application to DOT must include a certification by the applicant that he or she meets driver qualification requirements for drivers in intrastate commerce.

If an applicant for a CDL does not meet the physical qualification requirements for CMV drivers operating in interstate commerce but is otherwise qualified to operate a CMV, DOT may issue to the applicant a CDL restricted to authorizing the operation of CMVs that are not in interstate commerce.

Under this bill, if a person issued a CDL authorizing operation of CMVs in interstate commerce does not have on file with DOT a current certification covering the person's physical qualifications to operate CMVs in interstate commerce, DOT may downgrade the CDL to a restricted CDL and impose a "K" restriction on the CDL restricting the licensee from operating CMVs in interstate commerce.

\*\*\* ANALYSIS FROM -0315/4 \*\*\*

\* Under current law, an identification card issued by DOT must include a photograph of the card holder and DOT may not process an application without taking a photograph. An identification card is valid for a period of eight years, after which it may be renewed.

This bill authorizes DOT to renew identification cards by mail or by any electronic means available to DOT. However, DOT cannot make consecutive renewals by mail or electronic means, so only every other renewal can be completed by mail or electronic means. If DOT renews an identification card by mail or electronic means, DOT is not required to take a new photograph for the identification card. A photograph continues to be required on each identification card but, for mail or electronic renewals, DOT may use the last photograph taken.

Under current law, DOT must mail to the last-known address of a person who holds a motor vehicle operator's license or identification card a renewal notice.

This bill allows the renewal notice to be provided, if desired by the licensee or card holder, by any electronic means offered by DOT.

**\*\*\* ANALYSIS FROM -0803/2 \*\*\***

Under current law, a person must pay to DOT a fee of \$53 for a first certificate of title for a vehicle or for a certificate of title after a vehicle is transferred. In addition, the person must pay an environmental impact fee of \$9 unless the vehicle is a low-speed vehicle. DOT deposits the environmental impact fee in the environmental fund for environmental management.

This bill repeals the environmental impact fee of \$9 and increases the certificate of title fee by \$9, from \$53 to \$62. The certificate of title fee is first available for the repayment of revenue bonds and, if not needed, is then deposited <sup>to</sup> in the transportation fund.

**\*\*\* ANALYSIS FROM -0316/1 \*\*\***

Under current law, with limited exceptions, an applicant for an operator's license is required to successfully complete a knowledge test and a driving skills (road) test. An applicant must pay to DOT an examination fee of \$15 for administering the road test in a "Class D" vehicle, which includes automobiles and most other passenger vehicles. Payment of this examination fee entitles the applicant to take the road test not more than three times.

Under this bill, an applicant's \$15 examination fee for a road test in a "Class D" vehicle entitles the applicant to two tests.

**\*\*\* ANALYSIS FROM -0352/3 \*\*\***

**TRANSPORTATION AIDS**

Under current law, DOT administers a general transportation aids program that makes aid payments to a county based on a share-of-costs formula, and to a

village, city, or town (municipality) based on the greater of a share-of-costs formula or an aid rate per mile. →

no 4 (This bill decreases, for 2012 and thereafter, the maximum amount of aid that may be paid to counties and municipalities under the program.

Also under current law, aid amounts payable to municipalities may not be reduced by more than 5 percent annually and aid amounts payable to counties may not be reduced by more than 2 percent annually. This bill provides that aid amounts payable to municipalities and counties may not be reduced by more than 15 percent annually.

\*\*\* ANALYSIS FROM -0799/3 \*\*\*

Under current law, DOT provides state aid payments for each of four classes of mass transit systems to local public bodies in urban areas served by mass transit systems to assist (the local public bodies) with the expenses of operating those systems. A fifth class for rail mass transit systems does not have a specified amount payable.

no 4 (This bill decreases the total amount of state aid payments to the four classes of mass transit systems for which aid amounts are specified and

no 4 (This bill also changes the funding source for mass transit operating aids from the transportation fund to the general fund beginning in the 2012-2013 fiscal year.

\*\*\* ANALYSIS FROM -1389/1 \*\*\*

Under current law, DOT administers <sup>the</sup> a Southeast Wisconsin Transit Capital Assistance Program under which DOT awards grants to eligible applicants for transit capital improvements. The only eligible applicant for this program is the Southeastern Regional Transit Authority, often referred to as SERTA. The only source of funding for the program is proceeds from <sup>state</sup> general obligation bonds issued

by the state. The state may contract public debt up to \$100,000,000 for purposes of the program.

no 41 This bill eliminates the program and bonding authority for the program.

\*\*\* ANALYSIS FROM -1372/2 \*\*\*

Under current law, DOT administers an intercity bus assistance program to ~~make~~ <sup>award</sup> grants to cities, villages, towns, or counties or enter into contracts with private providers of intercity bus service for the purpose of increasing the availability of intercity bus service in this state. This bill eliminates the grant portion of the program.

\*\*\* ANALYSIS FROM 0311/1 \*\*\*

RAIL AND AIR TRANSPORTATION

This bill increases the authorized general obligation bonding limit for the acquisition and improvement of rail property from \$126,500,000 to \$186,500,000.

\*\*\* ANALYSIS FROM -1388/1 \*\*\*

OTHER TRANSPORTATION

The 2009 Biennial Budget Act (Act 28) authorized the creation of several new regional transit authorities (RTAs): the Dane County RTA, the Chippewa Valley RTA, and the Chequamegon Bay RTA. Each RTA, once created, is a public body corporate and politic and a separate governmental entity. (An RTA's authority is vested in its board of directors.) Among its powers, an RTA may impose, by its board of directors adopting a resolution, a sales and use tax in the RTA's jurisdictional area at a rate not exceeding 0.5 percent of the gross receipts or sales price if certain conditions are satisfied.

This bill requires that an RTA hold a referendum in the RTA's jurisdictional area, in which imposition of the sales and use tax is approved, before the RTA may impose a sales and use tax within its jurisdictional area.

No 41  
The board of directors of an RTA may, upon adopting a resolution, impose

Act 28 also created the SERTA. SERTA is a public body corporate and politic and a separate governmental entity; it consists of the counties of Kenosha, Racine, and Milwaukee. The powers of SERTA are vested in its board of directors. Upon approval by its board of directors, SERTA may impose a rental car transaction fee in the counties of Kenosha, Racine, and Milwaukee.

This bill requires that SERTA hold a referendum in the counties of Kenosha, Racine, and Milwaukee in which imposition of the rental car transaction fee is approved in each county, before SERTA may impose the rental car transaction fee in these counties.

**\*\*\* ANALYSIS FROM -0056/1 \*\*\***

Under current law, DOT may accept payment by credit card, debit card, or any other electronic payment mechanism of certain fees, which generally derive from transactions related to motor vehicles or motor vehicle operators. DOT may charge a convenience fee for each transaction in which payment <sup>is made in this way</sup> by credit card, debit card, or other electronic payment mechanism is made. The amount of the convenience fee is established by DOT by rule, but must approximate the cost to DOT of providing the payment service. Until a rule is promulgated, the convenience fee is set by statute at \$2.50 for each transaction.

This bill allows DOT to accept payment by credit card, debit card, or any other electronic payment mechanism of any fee not limited to fees in connection with transactions related to motor vehicles or motor vehicle operators. The bill also allows DOT <sup>and</sup> to charge a convenience fee whenever payment <sup>in this way</sup> by credit card, debit card, or other electronic payment mechanism is made. This bill also allows DOT to establish procedures for conducting any transaction in an electronic format or using an electronic process. DOT may promulgate rules requiring a person to pay an



additional fee for conducting an in-person, telephone, or paper transaction in lieu of using an electronic filing or submission option when DOT has made an electronic filing or submission option available.

\*\*\* ANALYSIS FROM -0312/1 \*\*\*

This bill increases the authorized general obligation bonding limit for harbor improvement grants from \$66,100,000 to \$78,800,000.

\*\*\* ANALYSIS FROM -1262/2 \*\*\*

#### **VETERANS AND MILITARY AFFAIRS**

Currently, DVA operates two veterans homes in the state, one at King and the other at Union Grove. Operation of veterans homes includes hiring personnel and providing services to the residents of the home. A third home, that has not yet been opened, is to be located in Chippewa Falls. For this third home, in lieu of DVA operating the home, DVA may contract with a private entity to operate the home. The bill also specifically requires the Legislative Audit Bureau, at the request of the governor or the legislature, to conduct one or more financial audits of the operation of the Chippewa Falls home by a private entity.

Because this bill directly or substantially affects the development, construction, cost or availability of housing in this state, the Department of Administration, as required by law, will prepare a report to be printed as an appendix to this bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

(END)